

**Illinois Department of Revenue
Regulations**

Title 86 Part 470 Section 470.145 Furnishing of Gas
--

TITLE 86: REVENUE

**PART 470
THE GAS REVENUE TAX ACT**

Section 470.145 Furnishing of Gas

a) The tax applies with respect to the consideration received by a taxpayer for gas distributed, supplied, furnished or sold to any person in a taxable transaction for use or consumption and not for resale. All such receipts are within the Act. There is no limitation in the application of the tax to any particular use or consumption of these services. However, for information concerning exemptions for transactions with certain kinds of customers, see Section 470.160 of this Part.

b) Gas furnished to other taxpayers engaged in this business of distributing, supplying, furnishing or selling to their customers the gas so received is for resale and is not within the Act.

c) The furnishing of gas includes gas furnished for use or consumption and not for resale, whether furnished at a meter rate dependent upon the quantity furnished, at flat rates per unit period of time, for a flat amount per outlet, or upon any other basis independent of the quantity of gas supplied.

d) Taxpayers are required to include in gross receipts by which they compute tax all consideration received for the furnishing of gas for use or consumption and not for resale, including flat fees, payments on contracts, minimum charges and the value of any other consideration for gas, including consideration in the form of property or services.

e) Except for amounts that are added to billings to reimburse taxpayers for the tax rate in excess of 3% as authorized by paragraph (b) of Section 36 of "An Act concerning public utilities", and except for charges that are added to customers' bills by taxpayers who are not subject to rate regulation by the Illinois Commerce Commission because of the tax that is imposed by the Act, taxpayers are required to include in taxable gross receipts any amounts collected from others to reimburse the taxpayer for the tax imposed by The Gas Revenue Tax Act or to reimburse the taxpayer for tax imposed by any municipality under Section 8-11-2 of the Illinois Municipal Code (Ill. Rev. Stat. 1983, ch. 24, par. 8-11-2) on the business of distributing, supplying, furnishing or selling gas for use or consumption, including all charges which the taxpayer is authorized by paragraph(a) of Section 36 of "An Act concerning public utilities" to collect from customers in this connection. The taxpayer may take this tax-collected deduction from gross receipts only if the taxpayer states separately on its bill for gas to the purchaser how much tax, as permitted by law, is being passed on to the purchaser in addition to the charge for gas, or if the taxpayer periodically sends the purchaser a rate chart, showing separately from the rate for gas, how much tax, as permitted by law, will be charged by the taxpayer to the purchaser on each bracket or amount of cubic feet or therms of gas.

f) Where a taxpayer furnishes gas which he has acquired from other taxpayers for use or consumption and not for resale, and he bills the consumer for such gas, he must include in gross receipts by which tax is computed the total receipts from the sale of such gas and not merely the

amount of commissions which he may earn for the distribution of the same. The fact that a taxpayer has billed a consumer for gas distributed, supplied, furnished or sold to such consumer in prima facie evidence that such taxpayer distributed, supplied, furnished or sold services within the Act and is liable for tax with respect thereto.

(Source: Amended at ____ Ill. Reg. ____, effective ____)